

34935

SERVICE DATE - AUGUST 20, 2004

DO

FR-4915-01-P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 34528]

Indiana Boxcar Corporation–Continuance in Control Exemption–Chesapeake & Indiana Railroad Company, Inc.

Indiana Boxcar Corporation (Boxcar) has filed a verified notice of exemption to continue in control of Chesapeake & Indiana Railroad Company, Inc. (Chesapeake), upon Chesapeake's becoming a Class III rail carrier.

The transaction was expected to be consummated on July 29, 2004.

This transaction is related to the concurrently filed verified notice of exemption in STB Finance Docket No. 34529, Chesapeake & Indiana Railroad Company, Inc.–Operation Exemption–The Town of North Judson, IN. In that proceeding, Chesapeake seeks to operate 32.97 miles of track extending from Wellsboro, milepost 15.2, to LaCrosse, milepost 0.6, in LaPorte County, IN, and from Malden, milepost 230.9 through LaCrosse, to North Judson, milepost 212.5, in Porter and Starke Counties, IN, which is owned by the Town of North Judson.

Boxcar currently controls one Class III rail carrier, the Vermilion Valley Railroad Company, Inc., operating in Vermillion and Warren Counties, IN.

Under 49 CFR 1180.2(d)(2), a continuance in control transaction is exempt if:

(1) the railroads do not connect with each other or any railroad in their corporate family; (2) the continuance in control is not part of a series of anticipated transactions that would connect the railroads with each other or any railroad in their corporate family; and (3) the transaction does not involve a Class I carrier. There are no Class I carriers involved in this transaction and Boxcar states that the railroads do not connect with each other and there are no plans to acquire additional rail lines for the purpose of making such a connection. Therefore, the transaction is exempt from the prior approval requirements of 49 U.S.C. 11323.

Under 49 U.S.C. 10502(g), the Board may not use its exemption authority to relieve a rail carrier of its statutory obligation to protect the interests of its employees. Section 11326(c), however, does not provide for labor protection for transactions under sections 11324 and 11325 that involve only Class III rail carriers. Accordingly, the Board may not impose labor protective conditions here, because all of the carriers involved are Class III carriers.

If the verified notice contains false or misleading information, the exemption is void ab initio. Petitions to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the transaction.

An original and 10 copies of all pleadings, referring to STB Finance Docket No. 34528, must be filed with the Surface Transportation Board, 1925 K Street, N.W., Washington, DC 20423-0001. In addition, a copy of each pleading must be served on

John D. Heffner, 1920 N Street, N.W., Suite 800, Washington, DC 20036.

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Decided: August 16, 2004.

By the Board, David M. Konschnik, Director, Office of Proceedings.

Vernon A. Williams

Secretary